

A regular meeting of Borough Council was held at 7:30 PM, Monday, March 7, 2011. Mayor Frank M. North presided. Pledge of Allegiance and Silent Prayer were observed. Announcement was made that the meeting had been advertised in accordance with the regulations prescribed by the "Open Public Meetings Act".

ROLL CALL:

Council Present: Madden, Brennan, Volkert and Fields.
Clerk Brouse and CFO Moules were present.

PUBLIC:

Budget introduction meeting, no public

OLD BUSINESS**NEW BUSINESS****ORDINANCES FOR INTRODUCTION ON FIRST READING**

ORDINANCE 11-01 COLA Cap Bank Ordinance: On a motion of Mr. Brennan and second of Mrs. Fields, the following Ordinance was introduced:

**ORDINANCE 11-01
CALENDAR YEAR 2011
MODEL ORDINANCE TO EXCEED THE MUNICIPAL
BUDGET APPROPRIATION LIMITS
AND TO ESTABLISH A CAP BANK
(N.J.S.A. 40A: 4-45.14)**

WHEREAS, the Local Government Cap Law, N.J.S. 40A: 4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget to 2% unless authorized by ordinance to increase it to 1.5% over the previous year's final appropriations, subject to certain exceptions; and,

WHEREAS, N.J.S.A. 40A: 4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 1.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and,

WHEREAS, the Borough Council of the Borough of Merchantville in the County of Camden finds it advisable and necessary to increase its CY 2011 budget by up to 1.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,

WHEREAS, the Borough Council hereby determines that a 1.5% increase in the budget for said year, amounting to \$48,961.18 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

WHEREAS, the Borough Council hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.

NOW THEREFORE BE IT ORDAINED, by the Borough Council of the Borough of Merchantville, in the County of Camden, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2011 budget year, the final appropriations of the Borough of Merchantville shall, in accordance with this ordinance and N.J.S.A. 40A: 4-45.14, be increased by 1.5%, amounting to \$48,961.18, and that the CY 2011 municipal budget for the Borough of Merchantville be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER ORDAINED, that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be file with said Director within 5 days after such adoption.

BOROUGH OF MERCHANTVILLE

INTRODUCED: March 7, 2011

ADOPTED: April 11, 2011

Resolution 11-41 Calculation of Reserve for Uncollected Taxes: On a motion of Mrs. Madden and second of Mr. Volkert, Council approved the following resolution:

**RESOLUTION 11-41
BOROUGH OF MERCHANTVILLE
COUNTY OF CAMDEN
RESOLUTION TO UTILIZE AVERAGE TAX COLLECTION RATE
FOR CALCULATION OF RESERVE FOR UNCOLLECTED TAXES
APPROPRIATION IN THE 2011 MUNICIPAL BUDGET**

WHEREAS, the Borough of Merchantville Borough has experienced a decline in tax collection rates in the last two years; and

WHEREAS, the use of the lower collection rate in arriving at the budget appropriation Reserve for Uncollected Taxes in the 2011 Municipal Budget would result in an unfair tax burden to the taxpayers of the Borough of Merchantville; and

WHEREAS, the Division of Local Government Services, Department of Community Affairs will allow the Borough of Merchantville to use the average of the prior three years' collection rates in calculating the budget appropriation Reserve for Uncollected Taxes in the 2011 Municipal Budget; and

WHEREAS, the prior three years' collection rates are 94.40% for 2008, 94.62% for 2009 and 93.55% for 2010; and

WHEREAS, the averaging of the prior three years' collection rates result in a collection rate of 94.19%;

NOW, THEREFORE, BE IT RESOLVED that the Borough of Merchantville will use the collection rate of 94.19% in calculating the budget appropriation Reserve for Uncollected Taxes in the 2011 Municipal Budget.

Resolution 11-42 Introduce 2011 Budget: On a motion of Mrs. Fields and second of Mr. Brennan, Council approved the following resolution:

2011 MUNICIPAL BUDGET

BOROUGH OF MERCHANTVILLE OF THE County of Camden for the calendar year 2011

Revenue and Appropriation Summaries

<u>Summary of Revenues</u>	Anticipated	
	2011	2010
1. Surplus	204,700.00	400,000.00
2. Total Miscellaneous Revenues	1,413,951.73	1,402,634.06
3. Receipts from Delinquent Taxes	484,823.00	380,000.00
4. a) Local Tax for Municipal Purposes	2,223,197.03	2,148,236.00
b) Addition to Local District School Tax		
Total Amount to be Raised by Taxes for Support of Municipal Budget		
Total General Revenues	4,326,671.76	4,330,870.06

<u>Summary of Appropriations</u>	2011 Budget	Final 2010 Budget
1. Operating Expenses: Salaries & Wages	1,478,197.00	1,613,654.05
Other Expenses	1,523,100.84	1,502,150.67
2. Deferred Charges & Other Appropriations	476,885.00	416,731.59
3. Capital Improvements	10,000.00	-
4. Debt Service (Including for School Purposes)	338,503.50	359,880.00
5. Reserve for Uncollected Taxes	499,985.42	438,453.75
Total General Appropriations	4,326,671.76	4,330,870.06
Total Number of Employees	55	60

2011 Dedicated Sewer Utility Budget		
<u>Summary of Revenues</u>	Anticipated	Anticipated
	2011	2010
1. Surplus	39,864.00	124,000.00
2. Miscellaneous Revenues	418,000.00	319,000.00
3. Deficit (General Budget)	13,000.00	13,000.00
Total Revenues	470,864.00	456,000.00

<u>Summary of Appropriations</u>	2011 Budget	Final
		2010 Budget
1. Operating Expenses: Salaries and Wages	70,000.00	77,000.00
Other Expenses	218,665.96	205,775.00
2. Capital Improvements	15,000.00	39,192.00
3. Debt Service	161,198.57	67,533.00
4. Deferred Charges & Other Appropriations	6,000.00	6,500.00
5. Surplus (General Budget)		60,000.00
Total Appropriations	470,864.53	456,000.00
Total Number of Employees	1	1

Balance of Outstanding Debt				
	General	Sewer Utility		
Interest	87,053.50	29,004.16		
Principal	251,450.00	132,194.41		
Outstanding Balance	3,254,833.25	2,154,534.73		

Notice is hereby given that the Budget and Tax Resolution was approved by the Borough Council of the Borough of Merchantville, County of Camden, on March 7, 2011.

A hearing on the Budget and Tax Resolution will be held at Borough Hall on April 11, 2011 at 7:30 p.m. at which time and place objections to the Budget and Tax Resolution for the year 2011 may be presented by taxpayers or other interested persons.

Copies of the Budget are available in the office of the Borough Clerk, Denise Brouse, at Borough Hall, 9:00 am to 5:00 pm Monday through Friday.

ADJOURNMENT:

On the motion of Mr. Brennan and second of Mrs. Fields the meeting was adjourned at 7:34 PM.

DENISE BROUSE
BOROUGH CLERK